

15 NOV 1976

MEMORANDUM FOR: Deputy Director for Administration

FROM : F. W. M. Janney  
Director of Personnel

SUBJECT : Exit Interview - [redacted]

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1. In connection with your request for comments on [redacted] exit interview, we have reviewed the Agency policy for the appointment of military officers in Reserve status instead of in Career Status.

2. We were unable to locate any discussion notes or policy papers which would have led to the decision. However, as the regulation which outlines the policy, [redacted] applies equally to retired Agency employees, other U. S. Government retired employees, and retired military officers "... whose retirement is based on service," we believe the policy was deliberately established and it is not intended to be discriminatory towards any one retired group.

3. The regulation clearly states that the hiring of retired personnel is limited to meet "only those requirements which cannot be filled either by internal assignment, training of on-duty personnel, or by the recruitment of new employees who are qualified . . ." Under these guidelines, only a Temporary or a Reserve appointment would be appropriate.

4. From the viewpoint of good personnel management practices, we believe this is a proper policy. The development and maintenance of a qualified work force is a prime objective of management. Orderly input of young employees and designed developmental assignments insures a continuing reservoir of qualified resources. The individual who has completed a career does not provide the growth potential needed for long-term sound personnel management, but does, in many instances, provide the instant expertise needed for the short-haul or project-type assignments. There are always exceptions, of course, and the DCI can approve exemptions from the regulation. In the main, however, career appointments for retired personnel would be in conflict with long-term Agency management objectives.

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5. The hiring of retired military officers on Reserve Appointments has raised some concern in DDI/OSR. In May 1976, the Acting Director of Strategic Research submitted to the Deputy Director for Intelligence a request for review of the DDI policy on this subject. That office suggested that the policy be changed so that retired military officers could be hired on the same basis as anyone else, or if this was not possible, that OSR -- because of its substantive responsibilities -- be granted an exception from the policy. OSR's request was based on the fact that there are three retired military officers working in key positions in that office whose performance has been exceptional. OSR felt it was inconsistent and unfair to put them in a special category rather than accord them equal treatment and status with the other members of the OSR career service. Despite a planned expansion of the military-economic analytical effort and a strong presentation of their position that retired military officers, with backgrounds in mathematics, economics, teaching, or DOD/Comptroller activities, are ideally suited for OSR, the DDI, in June 1976, confirmed his policy -- which is consistent with Agency policy. He advised that he would not support a request to exempt OSR from existing policies, and that, while he would be willing to consider converting or hiring any one individual based on the merits of the case, he would take a hard line in this respect. STATINTL

6. While we cannot attest to the accuracy of [redacted] statement that CIA is the only Agency which restricts military retirees to Reserve Appointment status, we do know that the State Department regulations provide for reemployment of retired Foreign Service Officers "temporarily" -- the implication being that the rehire is in the nature of our Reserve or Temporary appointments. Civil Service Regulations also provide for Temporary and Term (kin to our Reserve) appointments but do not identify any particular type of individual to fill such positions apart from the function or duties concerned.

7. In conclusion, we believe that the present Agency policy of limiting the hiring of retired personnel in Reserve Appointment status to meet special requirements is a proper one and in accordance with good management practices. Since there is a provision for exception in the Agency regulation, we believe that, wisely used, this authority allows the conversion of retired military officers to regular staff status for whom a long-term need does exist and whose potential for long-term usefulness is clearly demonstrated and justified.

[redacted]  
F. W. M. Janney

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